The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

IKEA Mired in Bribery Scandal

By Alexandra Odynova

December 19, 2011



The Interior Ministry has charged a former senior IKEA executive in absentia of trying to extort $360,000 from a prospective tenant at the Teply Stan Mega mall.

The suspect, whom the ministry's anti-corruption task force identified as a 35-year-old Swedish national who headed IKEA Real Estate Russia, is accused of stalling on the signing of a lease for two premises at the mall in the Moscow region in February.

"One of his two accomplices, a Turkish citizen aged 43 who also worked at the company, suggested that the tenant pay $360,000 to help settle the problem with the lease," the taskforce said in a statement.

The sum was later slashed to $225,000, but the unidentified tenant had already turned to the police, who detained the unidentified Turkish citizen as he accepted the payment in rubles in a Moscow cafe, the statement said. It did not specify when the sting operation took place.

The Swede and a third suspected accomplice, another Turkish citizen who also worked for

IKEA, are believed to have left Russia, and the Interior Ministry has asked their home countries to extradite them.

An IKEA spokeswoman confirmed to The Moscow Times that former company employees faced a police inquiry, but declined to elaborate, citing the ongoing investigation.

“IKEA is fully cooperating with law enforcement within the framework of the investigation,” the retailer said in e-mailed comments. “Due to the ongoing inquiry, we cannot comment or provide information about current or former employees.”

Gazeta.ru, citing police sources, identified the Swedish executive as Ola Ingvaldson. A Facebook page for a man with that name says he worked at IKEA Real Estate Russia, but gives no further details of his employment. A request for comment sent to the Facebook page went unanswered.

If convicted of commercial bribery, the suspects face up to 12 years in prison and a fine of up to 50 times the size of the bribe, or up to $11 million.

IKEA, whose low-cost furniture is immensely popular in Russia, has long voiced a hard-line stance against corruption and threatened to stop its expansion in the country because of red tape and corruption.

Long delays in constructing outlets in Samara, Ufa and Khimki have been linked to local officials seeking bribes.

But IKEA has not won all of its corruption battles. In 2010, it fired two senior executives — its general director for Russia and Eastern Europe, Per Kaufmann, and real estate director Stefan Gross — for tolerating graft. The company said at the time that the two ignored the fact that subcontractors working on the construction of a Mega mall in St. Petersburg had to bribe city officials to proceed with the works.

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